

**BUDGET, FINANCE & INVESTMENT COMMITTEE**

**May 22, 2013**

**5:30 P.M.**

**Courthouse**

MINUTES:

<u>Members Present:</u>	<u>Others Present:</u>	<u>Others Present:</u>	<u>Others Present:</u>
Comm. Charlie Baum	Ernest Burgess	Sean Gilliland	Mark King
Comm. Joe Frank Jernigan	Greg Brooks	Linda Burt	Pam Furlong
Comm. Will Jordan	Lisa Nolen	Paul Latture	Betty McNeely
Comm. Robert Peay, Jr.	Sharon DeBoer	Stacy Brown	Rita Shacklett
Comm. Steve Sandlin	Dawn Eaton	Kathleen Herzog	Carol Ghattas
Comm. Doug Shafer	Yolanda Maddox	James Manning	Dana Garrett
Comm. Joyce Ealy, Chr.	Sharon McDaniel	Bill Jones	Michael Gregory
	Laura Messick	Ben Cates	Anthony Tuggle

Delia Goodman, Mac Nolen, Merry Hickerson, Kathy McMahan, Jeff Davidson, Brian Robertson, Jeff Sandvig, Elaine Short

Chairman Ealy presided and called the meeting to order with all members being present.

The purpose of the meeting was to continue the review of the 2013-14 budget.

APPROVE MINUTES:

Comm. Jordan moved, seconded by Comm. Jernigan to approve the minutes of the May 15, 2013 Budget Committee meeting as mailed.

The motion passed unanimously by acclamation.

**COUNTY GENERAL FUND**

OTHER SOCIAL, CULTURAL & RECREATION:

Chairman Ealy advised that Account 56900, Other Social, Cultural and Recreation, provided funding for various nonprofit organizations. The total amount being recommended was \$551,053. Chairman Ealy advised that as each request was reviewed, the mayor would give his recommendation and a representative of the organization would be allowed to come to the table to speak to their budget.

Mayor Burgess advised the each organization could say that they needed more money, and he stated that he agreed that they did deserve more money; however, he has not recommended any increases for the nonprofit organizations.

**Child Advocacy.** The mayor recommended funding of \$2,500, the same as the prior year. Ms. Sharon DeBoer, Director, was present to answer questions regarding the Child Advocacy Center. Ms. DeBoer stated that she appreciated the consideration. She advised that Child Advocacy had implemented a new program called “Darkness to Light”. She stated that it would cost approximately \$70,000 to run the program, and instead of asking for a large lump sum, they were asking each one of their funding sources to contribute \$5,000 more.

**Domestic Violence.** The mayor recommended funding of \$31,200 for the Domestic Violence Program, which was the same as the prior year. No one was present representing the Domestic Violence Center.

**Exchange Club Family Center.** The mayor recommended funding of \$22,000, which was the same as the prior year. Mrs. Dawn Eaton, Executive Director, was present to speak to the Exchange Club Family Center’s request. Mrs. Eaton explained that the organization had been in the budget for several years, and their efforts were to prevent child abuse. She advised that the funding would be used for parent education.

**La Vergne Senior Citizens.** The mayor recommended funding of \$44,000, which was the same funding as the prior year. Ms. Yolanda Maddox, Senior Coordinator, was present to speak to the La Vergne Senior Citizens' request. She thanked the committee for the money that had been provided and advised that the money was used for the daily operation of the center.

**Mid-Cumberland Human Resource.** The mayor recommended funding of \$65,387, which was the same funding as the prior year. Ms. Sharon McDaniel was present to speak to the request from Mid-Cumberland Human Resource and stated that they appreciated what they received from the county.

**M.T.S.U. Foundation.** Mayor Burgess advised that he had recommended funding of \$100,000 to the M.T.S.U. Foundation, which represented the county's second year commitment toward the M.T.S.U. Science Building.

**Pregnancy Support Center.** The mayor recommended funding of \$3,000, which was the same funding as the prior year. Ms. Laura Messick, Executive Director, was present to speak to the request from the Pregnancy Support Center. Ms. Messick thanked the county for their past support and they appreciated it.

**Relax & Ride.** The mayor recommended funding of \$32,966 for the Relax and Ride Program, which reflected an increase of \$13,411. Mayor Burgess advised that all of the jurisdictions in Rutherford County including Smyrna, La Vergne and Murfreesboro were increasing their contributions. The number of trips between M.T.S.U. and Davidson County had been expanded substantially in an effort to continue to enhance and improve the ability for people to commute. There are 28 trips being made per day with over 10,000 riders per month. Mayor Burgess stated that he believed it was an outstanding effort to improve the ability for citizens to get back and forth to their jobs and to school.

**Primary Care & Hope Clinic.** The mayor recommended funding of \$50,000 for the Primary Care & Hope Clinic, which was the same funding as the prior year. Mr. Sean Gilliland, CIO, was present to speak to the request for the Primary Care & Hope Clinic. Mr. Gilliland stated that the clinic appreciated the support. The Smyrna site was opened last year, and they were looking forward to expanding it.

**St. Clair Street Senior Center.** The mayor recommended funding of \$155,000 for the St. Clair Street Senior Center, which was the same as last year. St. Clair Street Senior Center did request an increase in funding to \$160,000. Ms. Linda Burt, Director, was present to speak to the request for the St. Clair Street Senior Center. Ms. Burt stated that the center could do a lot with the additional funding using their current volunteers. She stated that they had over 200 volunteers and they could stretch the additional \$5,000. She stated that they would like to be able to expand some of the programs at the center. She stated that funding for the center had remained the same for four years. She stated that she appreciated the county's generous support.

**Smyrna Senior Citizens.** The mayor recommended funding of \$45,000 for the Smyrna Senior Citizens, which was the same as last year. Smyrna Senior Citizens did request an increase in funding to \$52,000. Ms. Beverly Hamblin represented the Smyrna Senior Citizens. Ms. Hamblin stated that the Smyrna Senior Citizens was very appreciative of the funding. The center serves approximately 60 members per day even though their membership is much greater than that. They are also going to be losing funding from the Town of Smyrna, because Smyrna is going to completely phase out their funding to nonprofit organizations. She explained that Smyrna was going to do their funding completely different, and that it would work somewhat like United Way. They will provide the funding to an organization who would then distribute the funds. She stated that it might be possible that they would still receive some funding, but it would be handled differently. She stated that they had tried to increase their fundraising, but it was not enough.

Following review, Comm. Shafer moved, seconded by Comm. Jordan to approve the Other Social, Cultural and Recreation 2013-14 budget as recommended by the County Mayor totaling \$551,053.

Comm. Peay asked about the other sources of funding that the Relax and Ride Program received.

Mayor Burgess advised that the amount of funding that Relax and Ride received from the county was a small piece of a much larger amount. The Federal Government and the State of Tennessee fund approximately 80% to 90% of the total amount. The riders also pay fares. The municipalities contribute funding, as well. Mayor Burgess stated that everyone was increasing their contribution.

Following discussion, the motion to approve the Other Social, Cultural and Recreation 2013-14 budget as recommended by the County Mayor totaling \$551,053 passed unanimously by acclamation.

#### TOURISM:

The County Mayor's recommendation for the 2013-14 Tourism budget totaled \$405,000. The mayor recommended funding of \$360,000 for the Chamber of Commerce Convention and Visitors' Bureau based upon 30% of the Hotel/Motel Tax collections; \$15,000 for the Heritage Center; \$25,000 for Main Street, Inc.; \$2,500 for Oakland's Association; and \$2,500 for the Sam Davis Home.

Mr. Paul Latture, President of the Chamber of Commerce, was present to speak to the request for the Convention and Visitor's Bureau. He stated that tourism was definitely growing in Rutherford County, and that last year there was a \$250 million impact to Rutherford County from tourism.

Ms. Stacy Brown, M.T.S.U. Center for Historic Preservation, represented the Heritage Center. Ms. Brown stated that the Heritage Center appreciated the partnership they had with Rutherford County Government. They will be updating the brochure of the Rutherford County Courthouse history.

Ms. Kathleen Herzog, Executive Director of Main Street, Inc. was present to speak to their request. She thanked the county for their support.

Mr. James Manning, Executive Director of the Oakland's House Museum, was present to speak to their request advising that they appreciated the funding and were working hard to stretch the dollars they received.

No one was present to represent the Sam Davis Home.

Following review, Comm. Jernigan moved, seconded by Comm. Sandlin to approve the Tourism 2013-14 budget as recommended by the County Mayor totaling \$405,000.

The motion passed unanimously by acclamation.

#### INDUSTRIAL/ECONOMIC DEVELOPMENT FUND:

The Finance Director advised that the estimated revenue for the 2013-14 Industrial/Economic Development Fund totaled \$21,337 and was derived from the payment of the note from the Smyrna/Rutherford County Airport Authority. The estimated beginning fund balance at July 1, 2013 was \$612,327. The recommended appropriations totaled \$243,745 drawing the fund balance down to an estimated ending balance at June 30, 2014 of \$447,783. She reminded the committee that last year Wherry Housing paid off their note.

The recommended expenditures were comprised of \$130,000 for Destination Rutherford, \$96,500 for the Economic Development Council, \$17,030 to the Town of Smyrna through a prior agreement, and \$215 for Trustee's Commission.

Mr. Bill Jones, Chairman of Destination Rutherford, was present to speak to the request. He thanked the commissioners for their support in the past. He advised that he believed that it could

be demonstrated that through the activities of Destination Rutherford approximately four to five times the amount of their appropriation was returned back to the county in property taxes alone each and every year. He stated that the economic development activity today was extraordinarily strong with a lot of people talking to them and Mr. Latture. He stated that there were a lot of things going on and much more activity than in the past.

Following review, Comm. Jernigan moved, seconded by Comm. Peay to approve the 2013-14 Industrial/Economic Development Fund budget as recommended by the County Mayor with estimated revenue totaling \$21,337 and estimated expenditures totaling \$243,745.

Comm. Shafer asked what the Economic Development Council did.

The Finance Director advised that it was set up by statute.

Mayor Burgess advised that the council was made up of representatives from all of the municipalities and the utilities, and it worked in conjunction with Destination Rutherford.

Mr. Latture explained that the municipalities worked together and came up with a pro rata share to determine the funding for the council. He explained that Destination Rutherford performed more marketing related activities.

Following discussion, the motion to approve the Industrial/Economic Development 2013-14 budget as recommended by the County Mayor with estimated revenue totaling \$21,337 and estimated expenditures totaling \$243,745 passed unanimously by acclamation.

## **GENERAL FUND (CONT'D)**

### COMMUNITY CARE:

Mr. Mark King, Community Care Director, was present to answer questions regarding the 2013-14 Community Care budget. The County Mayor's recommendation totaled \$15,000, which was the same as the prior year. Mr. Burgess advised that Community Care did not spend the money every year. The county owns the property, and Community Care has a lease on the property.

Mr. King stated that the funding represented a small capital contingency in case they needed it.

Following review, Comm. Sandlin moved, seconded by Comm. Peay to approve the 2013-14 Community Care budget as recommended by the County Mayor totaling \$15,000.

The motion passed unanimously by acclamation.

### TENNESSEE REHABILITATION CENTER:

Ms. Pam Furlong, Manager Tennessee Rehabilitation Center at Murfreesboro, was present to answer questions regarding the 2013-14 budget. The County Mayor's recommendation totaled \$51,000. Mayor Burgess reminded the committee that Ms. Furlong had previously addressed the committee about the replacement of the electric meter when it was determined that the meter was not accurate.

Comm. Jernigan moved, seconded by Comm. Shafer to approve the 2013-14 General Welfare Assistance budget as recommended by the County Mayor totaling \$51,000, which provided funding to the Tennessee Rehabilitation Center at Murfreesboro.

The motion passed unanimously by acclamation.

JOURNEYS IN COMMUNITY LIVING:

Ms. Betty McNeely, Executive Director of Journeys in Community Living, was present to answer questions regarding the 2013-14 budget. The County Mayor's recommendation totaled \$32,000.

Ms. McNeely advised that the county had provided support to their organization for over 37 years, and she was incredibly grateful.

Comm. Jernigan moved, seconded by Comm. Jordan to approve the 2013-14 Adult Activities budget as recommended by the County Mayor totaling \$32,000, which provided funding for Journeys in Community Living.

Chairman Ealy disclosed that she served on the board for Journeys in Community Living.

The motion passed unanimously by acclamation.

LINEBAUGH LIBRARY:

Mrs. Rita Shacklett, Director of Linebaugh Library, was present to answer questions regarding the 2013-14 budget. The County Mayor's recommendation totaled \$1,233,500, which reflected an increase of \$50,000 over the prior year.

Mayor Burgess reminded the committee that the county was a partner with the City of Murfreesboro, Town of Smyrna and Eagleville to provide support for the Linebaugh Library. The library requested funding of \$1,291,549, but the recommendation was \$1,233,500. He advised that the library had operating expenses just like the county had, and they were increasing.

Comm. Jordan moved, seconded by Comm. Peay to approve the 2013-14 funding for the Linebaugh Library as recommended by the County Mayor totaling \$1,233,500.

Comm. Shafer asked how many employees the library had system-wide.

Mrs. Shacklett advised that there were 82 employees. Approximately 33 employees are full time and the remaining employees are part time.

Following review, the motion to approve the 2013-14 Linebaugh Library budget as recommended by the County Mayor totaling \$1,233,500 passed unanimously by acclamation.

EMERGENCY MANAGEMENT:

The mayor's recommendation for the Emergency Management 2013-14 budget totaled \$419,393, which was a reduction of \$230,325 from the prior year. The amount to be rolled over to the next fiscal year for Homeland Security was not known at this time, and that would be included closer to the end of the budget process. Mayor Burgess advised that the staff numbers were the same even though there had not been a director for a while. When the position is filled, the person probably will not have the same years of experience, and so a reduction in pay was estimated for the position.

Following review, Comm. Jernigan moved, seconded by Comm. Peay to approve the Emergency Management 2013-14 budget as recommended by the County Mayor totaling \$419,393.

The motion passed unanimously by acclamation.

HEALTH DEPARTMENT:

Mrs. Dana Garrett, Health Department Director, was present to answer questions regarding the 2013-14 Health Department budget. The County Mayor's recommendation totaled \$681,943,

which reflected an increase of \$21,497 over the prior year. The majority of the increase was reflected in health insurance. Mayor Burgess advised that this budget accounted for the county's portion of the Health Department budget.

Mrs. Garrett advised that Account 55110-399, Other Contracted Services, reflected an increase of \$6,000, because more space was added to the Smyrna clinic.

Comm. Jernigan moved, seconded by Comm. Sandlin to approve the local Health Department's 2013-14 budget as recommended by the County Mayor totaling \$681,943.

The motion passed unanimously by acclamation with Comm. Jordan being out of the room at that time.

#### DENTAL:

The mayor's recommendation for the Dental Health Program 2013-14 budget totaled \$11,812.

Comm. Sandlin moved, seconded by Comm. Jernigan to approve the Dental Health Program's 2013-14 budget as recommended by the County Mayor totaling \$11,812.

The motion passed unanimously by acclamation with Comm. Jordan being out of the room at that time.

#### OTHER LOCAL HEALTH:

The County Mayor's recommendation for the 2013-14 Other Local Health Services budget totaled \$2,001,464. The budget is 100% funded by the state.

Comm. Jernigan moved, seconded by Comm. Peay to approve the 2013-14 Other Local Health budget as recommended by the County Mayor, and which is 100% funded by the state, totaling \$2,001,464.

The motion passed unanimously by acclamation with Comm. Jordan being out of the room at that time.

#### PET ADOPTION & WELFARE SERVICES:

Mr. Michael Gregory, PAWS Director, was present to answer questions regarding the Pet Adoption & Welfare Services 2013-14 budget. The County Mayor's recommendation totaled \$1,491,073, which reflected a decrease of \$20,162 from the previous year.

Mr. Gregory advised that the primary reason that the budget was less was because the prior year's budget included \$70,000 in grant money.

Mayor Burgess advised that the budget included funding for one new vehicle and the equipment for the vehicle. Mayor Burgess advised that at least one new vehicle per year needed to be acquired due to the age and mileage of the current vehicles.

Mr. Gregory advised that no new vehicles had been purchased since 2008.

Comm. Shafer asked about contributions from the cities.

Mr. Gregory advised that he was requesting \$68,500 from the City of Murfreesboro, which was an increase of \$3,500; and \$25,000 from the Town of Smyrna. He advised that the City of La Vergne completely cut their funding last year, but he had requested \$27,000.

Following review, Comm. Jernigan moved, seconded by Comm. Sandlin to approve the PAWS' 2013-14 budget as recommended by the County Mayor totaling \$1,491,073.

The motion passed unanimously by acclamation.

SANITATION AND WASTE REMOVAL:

The County Mayor's recommendation for the 2013-14 Sanitation and Waste Removal budget totaled \$33,100. The budget provides funding for the Dead Stock Removal Services Agreement with Appertain, Inc.

Comm. Peay moved, seconded by Comm. Jordan to approve the 2013-14 Sanitation and Waste Removal budget as recommended by the County Mayor totaling \$33,100.

The motion passed unanimously by acclamation.

OTHER PUBLIC HEALTH & WELFARE:

The County Mayor's recommendation for the 2013-14 Other Public Health & Welfare budget totaled \$247,800. The budget covered the costs for autopsies and the medical examiner.

Comm. Jernigan moved, seconded by Comm. Shafer to approve the 2013-14 Other Public Health & Welfare budget as recommended by the County Mayor totaling \$247,800.

The motion passed unanimously by acclamation.

RETIRED SENIOR VOLUNTEER PROGRAM:

The County Mayor's recommendation for the 2013-14 Senior Citizens Assistance Program totaled \$1,500. The budget provides funding to Mid-Cumberland Community Action Agency for the Retired Senior Volunteer Program.

Comm. Sandlin moved, seconded by Comm. Jernigan to approve the County Mayor's recommendation for the 2013-14 Senior Citizens Assistance Program in the amount of \$1,500.

The motion passed unanimously by acclamation.

RECREATION:

Mr. Ben Cates, Recreation Director, was present to answer questions regarding the 2013-14 Parks and Fair Boards budget. The County Mayor's recommendation totaled \$425,625. Mayor Burgess stated that he believed that for \$425,625 Rutherford County had one of the best recreation programs per capita.

The Finance Director noted that Account 56700-316, recommended at \$120,000, provided funding to the City of Murfreesboro Parks and Recreation Department for the county's share of the costs for the Stones River Greenway.

Comm. Jernigan moved, seconded by Comm. Jordan to approve the 2013-14 Parks and Fair Boards budget as recommended by the County Mayor totaling \$425,625 to provide funding for the county's recreation program.

The motion passed unanimously by acclamation.

Comm. Shafer asked about Account 56700-339, Matching Share, recommended at \$25,000.

Mr. Cates advised that the account provided seed money to communities when they needed to upgrade a ball field. He stated that the Recreation Department would match \$2 for \$1 up to \$5,000. He stated that a lot of the work was done by volunteers.

Mayor Burgess advised that the properties where the improvements were made were owned by the county.

AGRICULTURE EXTENSION:

Mr. Anthony Tuggle, Agriculture Extension Director, was present to answer questions regarding the 2013-14 Agriculture Extension budget. The County Mayor's recommendation totaled \$709,651.

Mayor Burgess explained that Accounts 57100-116, Teachers, and 57100-161, Secretary, reflected decreases. However, Account 57100-309, Contracts with Government Agencies, reflected an increase. He advised that some of the employees were county employees and some of them were employees of the University of Tennessee. There is a cost sharing arrangement between the county, the University of Tennessee and Tennessee State University. The total amount of the budget only reflected an increase overall of \$80.

Comm. Jordan moved, seconded by Comm. Peay to approve the 2013-14 Agriculture Extension Service budget as recommended by the County Mayor totaling \$709,651.

Comm. Peay noted that three members of the Budget Committee served on the Agriculture Committee.

The motion passed unanimously by acclamation.

SOIL CONSERVATION:

Mrs. Delia Goodman, Soil Conservation Board, was present to answer questions about the 2013-14 Soil Conservation budget. The County Mayor's recommendation totaled \$106,389.

Account 57500-169, Part Time Personnel, reflected a decrease from \$43,870 to \$29,150. The Finance Director explained that the arrangement had been changed. There was a part time employee who was joint-funded by the county, the U.S.D.A., and the State of Tennessee. Rutherford County was no longer part of the arrangement. However, the remaining part time employee was able to take on most of the work load to keep the program running.

Mrs. Goodman advised that the part time employee was an excellent employee and wanted to stay, and this would alleviate the uncertainty of the contract being renewed by the U.S.D.A. and the state and at the same time give the employee some job security.

Comm. Jernigan moved, seconded by Comm. Peay to approve the 2013-14 Soil Conservation budget as recommended by the County Mayor totaling \$106,389.

The motion passed unanimously by acclamation.

OTHER ECONOMIC AND COMMUNITY DEVELOPMENT:

The County Mayor's recommendation for the 2013-14 Other Economic and Community Development budget totaled \$41,142. The budget provides funding for the HOME Grant.

The Finance Director advised that the budget provided funding to assist low income families to make repairs to their homes. The Finance Director advised that payments had been made since the budget had been prepared, and she requested to reduce Account 58190-399, Other Contracted Services, from \$36,942 to \$17,217. The total revised budget was \$21,417. The revenue will need to be adjusted, as well.

Comm. Jordan moved, seconded by Comm. Peay to approve the 2013-14 Other Economic and Community Development budget as revised totaling \$21,417.

The motion passed unanimously by acclamation.



COUNTY GARAGE:

The County Mayor's recommendation for the 2013-14 Other Charges budget totaled \$227,571. The budget covered the cost for the County Garage, which reflected a decrease of \$65,719 from the prior year. Mayor Burgess explained that the majority of the decrease was reflected in Account 58400-425, Gasoline, because gasoline was not being purchased for all of the county departments as it was previously.

Comm. Jernigan moved, seconded by Comm. Shafer to approve the 2013-14 Other Charges budget as recommended by the County Mayor totaling \$227,571.

The motion passed unanimously by acclamation.

EMPLOYEE BENEFITS:

The County Mayor's recommendation for the 2013-14 Employee Benefits budget totaled \$798,300.

The Finance Director advised that the budget provided funding of \$75,000 for the pooled amount for Employee and Dependent Insurance budget amendments during the year, \$20,000 for the pooled amount for Unemployment Compensation budget amendments, \$426,800 for the under age 65 and over age 65 retiree's matching for their health insurance, as well as an additional \$100,000 to pay into the Federal Government as a part of the Healthcare Reform Act, and \$276,500 for the General Fund's share to the OJI Program. An actuarial review is performed on the OJI Program every two years, and the OJI Program is analyzed to make sure that every fund pays their fair share of the expenses.

Following review, Comm. Sandlin moved, seconded by Comm. Jernigan to approve the 2013-14 Employee Benefits budget as recommended by the County Mayor totaling \$798,300.

Chairman Ealy disclosed that she was a retiree of Rutherford County.

The motion passed unanimously by acclamation.

PAYMENT TO CITIES:

The County Mayor's recommendation for the 2013-14 Payment to Cities budget totaled \$1,928,146. The budget provided funding to the Town of Smyrna for their share of the Nissan payment-in-lieu of taxes.

Comm. Jernigan moved, seconded by Comm. Peay to approve the 2013-14 Payment to Cities budget as recommended by the County Mayor totaling \$1,928,146.

The motion passed unanimously by acclamation.

MISCELLANEOUS:

The County Mayor's recommendation for the 2013-14 Miscellaneous budget totaled \$1,881,400. The budget provided funding of \$100,000 for the pooled gasoline account for gasoline amendments during the year, \$800,000 for judgments, which is used to pay the county's share into the Self-Insurance Fund for liability claims, and \$981,400 for Trustee's Commission. Any excess fees collected by the Trustee are turned back over to the county.

Comm. Sandlin moved, seconded by Comm. Jernigan to approve the 2013-14 Miscellaneous budget as recommended by the County Mayor totaling \$1,881,400.

The motion passed unanimously by acclamation.

**SOLID WASTE/SANITATION FUND:**

Mr. Mac Nolen, Solid Waste Director, was present to answer questions regarding the 2013-14 Solid Waste/Sanitation Fund budget.

The Finance Director advised that the estimated revenues totaled \$3,232,100, and the estimated appropriations totaled \$4,146,211. The appropriations exceeded the revenues by \$914,111. The estimated beginning fund balance at July 1, 2013 was \$3,770,000, and the estimated ending fund balance at June 30, 2014 was \$2,855,889. The Solid Waste Fund does not receive any property tax revenue, but if the committee wanted to balance revenues to appropriations, it would take 1.6 pennies. The Finance Director also advised that the budget had not been adjusted for the increase in employee and dependent insurance as approved by the County Commission on May 16.

**LITTER GRANT:** The County Mayor's recommendation for the 2013-14 Litter Grant budget totaled \$145,999. The budget provides funding for the Recycling Coordinator and one part time employee.

**CONVENIENCE CENTERS:** The County Mayor's recommendation for the 2013-14 Convenience Centers budget totaled \$2,611,930. Mayor Burgess advised that the budget included the same step increases as the other budgets that have been reviewed. Account 55732-149, Laborers, was recommended at \$434,616. This account provides funding for the part time convenience center attendants and includes a pay increase of 25 cents per hour. Account 55732-718, Motor Vehicles, was requested at \$402,000, but the mayor recommended \$250,000 for the replacement of one front-end loader. Account 55732-724, Site Development, reflected an increase of \$92,000 from \$33,000 to \$125,000. This would provide funding for an additional packer at the Almadillo Convenience Center and some improvements at the Haley Road Convenience Center. Account 55732-733, Solid Waste Equipment, was recommended at \$40,000 and would provide funding for additional containers.

Comm. Sandlin questioned Account 55732-105, Supervisor/Director, recommended at \$70,430. Comm. Sandlin questioned why it was more than a \$5,000 increase.

Mayor Burgess explained that the line item was not calculated properly for the current year, and it was being caught up.

**OTHER WASTE COLLECTION:** The County Mayor's recommendation for the 2013-14 Other Waste Collection (Recycling) budget totaled \$134,825. This budget provides funding for the Haley Road operations.

**LANDFILL OPERATIONS AND MAINTENANCE:** The County Mayor's recommendation for the 2013-14 Landfill budget totaled \$832,992. Mayor Burgess advised that the budget was a continuation budget.

Comm. Peay asked if there was any additional funding in the budget as a result of questions being asked about how clean the water was and the leachate issues.

Mr. Nolen advised that he and the mayor had been putting money in the budget for the last couple of years to prepare for this. There is some funding in the Landfill budget and some funding in the Postclosure budget. He stated that testing had been done on the wells both last week and this week. He stated that the numbers looked a lot better than they had in the past.

**POSTCLOSURE:** The County Mayor's recommendation for the 2013-14 Postclosure budget totaled \$340,000. Mayor Burgess advised that in the past the Postclosure budget had not been spent, but it was likely that most of it would be spent this year, and it would continue to be spent next year. Mayor Burgess stated that he thought it was enough money, but if it was not, he would not hesitate to ask for approval to amend the budget.

**EMPLOYEE BENEFITS:** The County Mayor's recommendation for the 2013-14 Employee Benefits budget totaled \$29,065. The budget provided funding of \$2,000 for Unemployment Compensation, \$3,025 for Other Fringe Benefits, which was the estimated amount that would be paid to the IRS, and \$24,040 for the Solid Waste Fund's share for OJI.

**MISCELLANEOUS:** The County Mayor's recommendation for the 2013-14 Miscellaneous budget totaled \$51,400 and covered building and contents insurance, judgments to transfer to the Self-Insurance Fund for liability claims, liability insurance, and Trustee's Commission.

Following review, Comm. Peay moved, seconded by Comm. Jordan to approve the 2013-14 Solid Waste/Sanitation Fund budget with estimated revenue totaling \$3,232,100 and estimated appropriations totaling \$4,146,211.

The motion passed unanimously by acclamation.

**HIGHWAY/PUBLIC WORKS FUND:**

Mr. Greg Brooks, Highway Superintendent, and Mrs. Merry Hickerson were present to answer questions about the 2013-14 Highway Fund budget.

Chairman Ealy advised that the mayor did not make a recommendation on the budget for the Highway Fund.

The Finance Director advised that the estimated revenue for the 2013-14 Highway Fund totaled \$8,227,275. The mayor has requested that .001 cents be transferred from the Highway Fund property tax allocation for public works to the General Fund. The estimated appropriations totaled \$9,145,289. The estimated appropriations exceeded the estimated revenue by \$976,152. The estimated combined beginning fund balance at July 1, 2013 was \$6,450,000. Of that amount \$1,780,000 was being estimated for the committed fund balance for public works.

Mrs. Hickerson advised that the 2013-14 estimated appropriations totaling \$9,145,289 was a decrease from the prior year budget of \$545,710. The current year budget funded 64 positions, but the proposed 2013-14 budget provided funding for 60 positions, which reflected a decrease of \$176,180 in salaries. The salaries were calculated using the expanded 56 pay grade table with the cost of living pay increase that was presented to them by the County Human Resource Department.

**ADMINISTRATION:** The total proposed for the 2013-14 Administration Department was \$692,394. Mrs. Hickerson advised that the budgets for every department included the pay increases from the expanded pay table, and she believed the increase in the Employee and Dependent Insurance would be covered. She adjusted two employee insurance line items as a result of the County Commission's action, but it did not change the bottom line.

**HIGHWAY AND BRIDGE MAINTENANCE:** The total proposed for the 2013-14 Highway and Bridge Maintenance Department was \$5,779,550.

Comm. Jordan commented that the amount budgeted for Crushed Stone was decreased from \$100,000 to \$50,000. He stated that he understood a portable crusher had been rented to crush stone at the quarry creating a substantial amount of gravel. He thanked Mr. Brooks for thinking outside of the box and getting that done.

Mr. Brooks also advised that the budget reflected a decrease in the amount for salt from \$120,000 to \$60,000. He stated that very little salt was used last year, and if this winter was extremely bad, and all of the salt in storage was used, half of the amount could be replaced with \$60,000.

Comm. Shafer asked about the line item for road signs budgeted at \$50,000.

Mrs. Hickerson advised that the amount budgeted for 2010-11 was \$100,000, and that had been reduced in the current year budget and the 2013-14 budget to \$50,000. She advised that the Highway Department had the ability to produce some of the signs in-house.

Comm. Baum questioned shifting .001 cents from the Highway Fund to the General Fund due to the maintenance of effort requirement.

The Finance Director advised that the maintenance of effort would still be met. The five-year average of local effort amounted to \$4,248,711, and the proposed local revenue for the 2013-14 Highway Fund totaled \$4,457,137.

**OPERATION AND MAINTENANCE OF EQUIPMENT:** The total proposed for the 2013-14 Operation and Maintenance of Equipment was \$1,165,530.

Mr. Brooks advised that decreases to this portion of the budget were diesel fuel, equipment and machinery parts, and gasoline.

**OTHER CHARGES:** The total proposed for the 2013-14 Other Charges budget was \$571,075, which funded the public works portion of the budget.

Mr. Brooks advised that Account 65000-790, Other Equipment, reflected a decrease from \$360,000 to \$60,000. The account was amended in the current year by \$300,000 to purchase a piece of equipment.

**EMPLOYEE BENEFITS:** The proposed budget for Employee Benefits totaled \$211,880. The budget provided funding of \$7,560 for Employee and Dependent Insurance to cover the cost of \$63 per person on the health insurance that was being mandated, \$5,000 for Unemployment Compensation, \$144,000 for Other Fringe Benefits for the retiree's matching, and \$55,320 for the Highway Fund's share for the OJI Program.

**CAPITAL OUTLAY:** The proposed budget for Capital Outlay totaled \$724,860, which was the same as the current year and provided funding for bridge construction, building improvements, highway equipment, and state aid projects.

Following review, Comm. Sandlin moved, seconded by Comm. Peay to approve the 2013-14 Highway Fund budget with estimated revenue totaling \$8,227,275 and estimated appropriations totaling \$9,145,289.

Comm. Jernigan read his conflict of interest statement because he is an employee of the Rutherford County Highway Department.

The motion passed unanimously by acclamation.

#### GENERAL DEBT SERVICE FUND:

The Finance Director advised that Rutherford County's total outstanding principal balance at the beginning of July 1, 2013 would be \$355,495,000. It is being proposed that \$9.3 million of the \$9.6 million capital outlay note be refunded next year. The Finance Director reminded the committee that the \$9.6 million capital outlay note was issued in anticipation that the county might want to step into a variable rate program. The initial issue was for \$10 million, and the note has already been rolled one time. She stated that the county would be borrowing in the fall for the Blackman Middle School Annex and to refund the capital outlay note. It is being proposed that the county pay \$300,000 in principal on the note and refund \$9.3 million.

The amount of outstanding debt paid from the General Purpose School Fund as of July 1, 2013 was \$2,366,951.

The amount of debt to be retired through the General Debt Service Fund for 2013-14 was \$25,345,000.

At the end of 10 years, it was estimated that 69% of the current debt would be paid off.

The Finance Director provided a listing of potential projects and the timing of when the funds would be needed.

A schedule of debt service projections for 20 years was provided based on the current debt and including refunding the \$9.6 million capital outlay note. The projected beginning fund balance at July 1, 2013 was estimated at \$32,195,000. Assuming a 65% fund balance requirement, \$26,524,931 would need to be maintained in the fund balance. It was estimated that the ending fund balance as of June 30, 2014 would be \$30,877,883, which was \$4,352,952 over the requirement.

The Finance Director illustrated how much it would cost to pay back debt issued at various amounts and interest rates.

The Finance Director provided an analysis of the projected revenue and what happens in a reappraisal year using two percent growth for 2014-15 and 2015-16 and using the same number of pennies.

The estimated revenue for the 2013-14 Debt Service Fund was \$48,790,455, and the estimated appropriations were \$50,476,307. The estimated appropriations exceeded the revenue by \$1,685,852. The estimated beginning fund balance at July 1, 2013 was \$32,195,000, and the estimated ending fund balance at June 30, 2014 was \$30,509,148.

The Finance Director explained the budget requirements for existing debt and new debt that was proposed to be issued.

Comm. Baum asked about the uses of the Development Tax for capital projects in the General Fund.

The Finance Director advised that \$2 million in revenue was being estimated from the Development Tax with \$1 million going into the General Fund for capital needs. It was being proposed that the \$1 million in Development Tax in the General fund would be used to fund \$600,000 for Sheriff's vehicles; \$200,000 for GIS Data Acquisition, and \$200,000 for Information Technology Data Processing Equipment.

Following discussion, Comm. Jordan moved, seconded by Comm. Baum to approve the 2013-14 General Debt Service Fund budget as presented with estimated revenue totaling \$48,790,455 and estimated appropriations totaling \$50,476,307.

The motion passed unanimously by acclamation.

#### ADJOURNMENT:

Chairman Ealy reminded the committee that the next Budget Committee meetings would be Tuesday, May 28 at 5:30 to review the 2013-14 budgets for the General Purpose School Fund, Central Cafeteria Fund, and the Education Capital Projects Fund; and Thursday, May 30 at 5:30 P.M. to review all funds and make a recommendation for publication.

The Finance Director requested that at the meeting on May 28, if there was anything significant that the committee might want to change to let her know so that the changes could be made for the meeting on May 30.

There being no further business to be presented at this time, Chairman Ealy declared the meeting adjourned at 7:34 P.M.